

IN THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF MISSOURI

UNITED STATES OF AMERICA

Plaintiff,

v.

JOHN HUGO EICKHOFF, JR.,  
RHONDA KAYE EICKHOFF,  
HOFFMAN ASSOCIATES, LLC,  
ARIC ELLIOT SCHREINER,  
COLUMBIA CPA GROUP LLC,  
JOHN WILLIAM GRAY II, and  
DAMON THOMAS EISMA, individually  
and d/b/a DAMON T. EISMA  
ATTORNEY AT LAW,

Defendants.

Case No. 2:22-cv-04027-MDH

**DEFENDANT JOHN WILLIAM GRAY II'S ANSWER TO PLAINTIFF'S AMENDED  
COMPLAINT**

John William Gray II ("Gray" or "Defendant") respectfully denies the allegations in the Complaint. Defendant's responses below correspond to the numbered paragraphs in the Amended Complaint. Section headings are for reference only:

**AMENDED COMPLAINT**

1. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
2. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
3. Paragraph 3 states legal conclusions to which no response is required.
4. Paragraph 4 states legal conclusions to which no response is required.
5. Paragraph 5 states legal conclusions to which no response is required.

**Authorization**

6. Paragraph 6 states legal conclusions to which no response is required.

**Jurisdiction and Venue**

7. Paragraph 7 states legal conclusions to which no response is required.
8. Paragraph 8 states legal conclusions to which no response is required.

**The Parties**

9. Paragraph 9 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
10. Paragraph 10 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
11. Paragraph 11 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
12. Paragraph 12 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
13. Paragraph 13 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
14. Defendant admits he is an attorney who is licensed to practice law in Alabama. Defendant denies the remainder of the allegations in Paragraph 14.

15. Paragraph 15 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

### **Background**

16. Paragraph 16 states legal conclusions to which no response is required.
17. Paragraph 17 states legal conclusions to which no response is required.
18. Paragraph 18 states legal conclusions to which no response is required.
19. Paragraph 19 states legal conclusions to which no response is required.
20. Paragraph 20 states legal conclusions to which no response is required.
21. Paragraph 21 states legal conclusions to which no response is required.
22. Paragraph 22 states legal conclusions to which no response is required.
23. Paragraph 23 states legal conclusions to which no response is required.

### **Defendants' Abusive Tax Scheme**

24. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
25. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
26. Paragraph 26 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
27. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
28. Paragraph 28 states legal conclusions to which no response is required.
29. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
30. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
31. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

32. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

33. Paragraph 33 states legal conclusions to which no response is required.

34. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

35. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

36. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

37. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

38. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

39. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

**Defendants Improperly Overstate the Basis in CRAT Property**

40. Paragraph 40 states legal conclusions to which no response is required.

41. Paragraph 41 states legal conclusions to which no response is required.

42. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

43. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

44. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

45. Paragraph 45 contains allegations in support of a claim against a defendant other than Mr.

Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

**Defendants Improperly Characterize CRAT Distributions**

46. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

47. Paragraph 47 states legal conclusions to which no response is required.

48. Paragraph 48 states legal conclusions to which no response is required.

49. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

**Defendants False or Fraudulent Statements about the Hoffman Crat Scheme**

50. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

51. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

**Defendant John Eickhoff's Participation in the Abusive Tax Scheme**

52. Paragraphs 52-61 contain allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

**Defendant John Eickhoff's Participation in the Abusive Tax Scheme**

62. Paragraphs 62-67 contain allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

**Defendants Aric Schreiner's and Columbia CPA Group's Participation in the Abusive Tax Scheme**

68. Paragraphs 68-89 contain allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

**Defendant John William Gray's Participation in the Abusive Tax Scheme**

90. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

91. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

92. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

93. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

94. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

95. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

96. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

97. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

98. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

99. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

**Defendant Damon Eisma's Participation in the Abusive Tax Scheme**

100. Paragraphs 100-120 contain allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

**Hoffman CRAT Scheme Customer Examples**

121. Paragraphs 121-155 contain allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required. Paragraphs 121-155 also state legal conclusions to which no response is required.

**Estimated Harm Caused by Defendants' Abusive Tax Scheme**

156. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

157. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

158. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

159. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

160. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

161. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

162. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

**COUNT I**

163. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

164. Paragraph 164 states legal conclusions to which no response is required.
165. Paragraph 165 states legal conclusions to which no response is required.
166. Paragraph 166 states legal conclusions to which no response is required.
167. Paragraph 167 states legal conclusions to which no response is required.
168. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
169. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
170. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
171. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
172. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
173. Paragraph 173 states legal conclusions to which no response is required.
174. Paragraph 174 states legal conclusions to which no response is required.

## **COUNT II**

175. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
176. Paragraph 176 states legal conclusions to which no response is required.
177. Paragraph 177 states legal conclusions to which no response is required.
178. Paragraph 178 states legal conclusions to which no response is required.
179. Paragraph 179 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.
180. Paragraph 180 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

181. Paragraph 181 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

182. Paragraph 182 states legal conclusions to which no response is required.

183. Paragraph 183 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

184. Paragraph 184 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

185. Paragraph 185 contains allegations in support of a claim against a defendant other than Mr. Gray. Because the allegations do not relate to any claim against Mr. Gray, no response is required.

### **COUNT III**

186. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

187. Paragraph 187 states legal conclusions to which no response is required.

188. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

189. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

190. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

191. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

192. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

193. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.



**COUNT IV**

194. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
195. Paragraph 195 states legal conclusions to which no response is required.
196. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
197. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.
198. Denies. Mr. Gray further denies that he acted unlawfully or improperly in any way.

**Relief Sought**

The Relief Sought paragraphs state legal conclusions to which no response is required.

**AFFIRMATIVE DEFENSES**

1. This Answer is made without any waiver of any jurisdictional defenses or rights to arbitrate that may exist between the parties.
2. Mr. Gray reserves the right to amend this Answer.
3. By alleging the affirmative defenses set forth below, Mr. Gray does not intend to modify or alter the burden of proof and/or burden of going forward with evidence that governs with respect to any particular issue at law or equity. That burden rests on plaintiff. All of the affirmative defenses pleaded herein are pleaded in the alternative, and none constitutes an admission of liability, or an admission that plaintiff is entitled to any of the relief sought.
4. As separate and affirmative defenses to the Complaint, Mr. Gray alleges as follows:

**FIRST AFFIRMATIVE DEFENSE  
(Disgorgement is Unavailable)**

The plaintiff has no basis in law for the claim and remedy of disgorgement because: (1) the plaintiff lacks statutory authority to pursue this claim and remedy against Mr. Gray; (2) the plaintiff has an adequate remedy at law and, as a result, is not entitled to equitable disgorgement; and (3) the claim and requested relief violate the Excessive Fines Clause of the Eighth Amendment.

**SECOND AFFIRMATIVE DEFENSE  
(Statute of Limitations)**

Some or all of the claims and remedies set forth in the Complaint are barred by the applicable statute of limitations.

**THIRD AFFIRMATIVE DEFENSE  
(Laches)**

Some or all of the claims and remedies set forth in the Complaint are barred by the doctrine of laches.

**FOURTH AFFIRMATIVE DEFENSE  
(Estoppel)**

Some or all of the claims and remedies set forth in the Complaint are barred under the doctrine of estoppel.

**FIFTH AFFIRMATIVE DEFENSE  
(Legal Conduct)**

Some or all of the claims and remedies set forth in the Complaint are barred because Mr. Gray's actions were at all times justified and proper under applicable law.

**SIXTH AFFIRMATIVE DEFENSE  
(Eighth Amendment)**

Plaintiff's purported claim for relief seeking prejudgment interest violates the Excessive Fines Clause of the Eighth Amendment of the United States Constitution.

**SEVENTH AFFIRMATIVE DEFENSE  
(Jurisdiction)**

Plaintiff's claims and remedies are barred because plaintiff and/or its attorneys lack the statutory authority to seek the relief that plaintiff's Prayer for Relief purports to seek.

**EIGHTH AFFIRMATIVE DEFENSE**

**(Additional Affirmative Defenses)**

Mr. Gray reserves the right to assert, and hereby give notice that she intends to rely upon, any other defense that may become available or appear during discovery proceedings or otherwise in this case and hereby reserve the right to amend her Answer to assert any such defense.

**PRAYER**

WHEREFORE, Mr. Gray respectfully requests that this Court:

1. Enter judgment in favor of Mr. Gray and against plaintiff;
2. Dismiss plaintiff's Complaint and each cause of action with prejudice;
3. Award Mr. Gray attorneys' fees and costs of suit incurred in defense of this action;
4. Grant a jury trial on all issues so triable; and
5. Grant such other and further relief as the Court deems just and proper.

[Signatures on following page]

Dated: June 9, 2022

Respectfully submitted,

/s/Jacqueline M. Whipple

JACQUELINE M. WHIPPLE

MO Bar # 64111

***COUNSEL FOR DEFENDANT***

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**CERTIFICATE OF SERVICE**

I hereby certify that on the 9<sup>th</sup> day of June, 2022, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification of such filing to all counsel of record.

/s/Jacqueline M. Whipple

***COUNSEL FOR DEFENDANT***

***JOHN WILLIAM GRAY II***